

STEVENS & LEE
LAWYERS & CONSULTANTS

919 North Market Street, Suite 1300
Wilmington, DE 19801
www.stevenslee.com

Direct Dial: (302) 425-3310
Email: jhh@stevenslee.com
Direct Fax: (610) 371-7972

February 4, 2019

BY FEDERAL EXPRESS

Donna L. Nickerson, Secretary
Delaware Public Service Commission
861 Silver Lake Boulevard
Cannon Building, Suite 100
Dover, DE 19904



Re: *Joint Application of Olympus Holdings II, LLC and AP VIII Olympus VoteCo, LLC, to Authorize the Transfer of Control of West Safety Communications Inc. and West Telecom Services, LLC*


Dear Secretary Nickerson:

On behalf of Olympus Holdings II, LLC, AP VIII Olympus VoteCo, LLC, and West Corporation, enclosed for filing with the Commission are an original plus ten (10) copies of the above-referenced Application. Also enclosed is a check for the filing fee.

Please date-stamp the extra copy of this filing and return it to us in the enclosed self-addressed, stamped envelope. If there are any questions, please do not hesitate to contact the undersigned. Thank you for your assistance.

Respectfully yours,

STEVENS & LEE



Joseph H. Huston, Jr. (No. 4035)

*Counsel for Olympus Holdings II, LLC,
AP VIII Olympus VoteCo, LLC, and
West Corporation*

JHH:lamo
Enclosures

Allentown • Bala Cynwyd • Charleston • Cleveland • Fargo • Fort Lauderdale • Harrisburg • Lancaster
New York • Philadelphia • Princeton • Reading • Rochester • Scranton • Valley Forge • Wilkes-Barre • Wilmington
A PROFESSIONAL CORPORATION

02/04/2019 SL1 1570796v1 111108.00001

**BEFORE THE
DELAWARE PUBLIC SERVICE COMMISSION**

)
)
Joint Application of)
)

Olympus Holdings II, LLC,)
Transferor)

PSC Docket No. _____

and)
)

AP VIII Olympus VoteCo, LLC,)
Transferee)
)

For Authority to Transfer Indirect Control of)
)

West Safety Communications Inc., and)
West Telecom Services, LLC,)
Licensees)
)
)
_____)

JOINT APPLICATION

Pursuant to 26 Del. C. § 215, Olympus Holdings II, LLC (“Olympus Holdings” or “Transferor”), the parent company of West Corporation (“West”), respectfully requests the authority of the Commission to consummate a transaction (“Transaction”) that will result in a change in control of West to AP VIII Olympus VoteCo, LLC (“Olympus VoteCo” or “Transferee,” and collectively with Olympus Holdings, the “Applicants”).¹ As a result of the Transaction, West’s wholly owned subsidiaries that hold Commission authorizations, West Safety Communications Inc. (“West Safety”) and West Telecom Services, LLC (“West Telecom”) (collectively, the “West Licensees”), will be ultimately controlled by Olympus

¹ The Commission staff recommended no action on the application for the transfer of control of West to Olympus Holdings in Memorandum, Delaware Public Service Commission, PSC Docket No. 17-0432 (June 15, 2017).

VoteCo. Consummation of the Transaction will serve the public interest by ensuring continuity and consistency at the managerial level for the West Licensees, thereby maintaining their ability to operate and improve their networks and services and facilitating their continued competition in the telecommunications marketplace.

The proposed Transaction will occur at the parent level only. No assignment of authorizations, assets, or customers will occur as a consequence of the proposed Transaction, and West and the West Licensees will continue to provide service to their existing customers pursuant to the same rates, terms, and conditions. In addition, the Transaction will have no effect on the contractual obligations or regulatory status of West or the West Licensees. Accordingly, this Transaction will be, for all practical purposes, imperceptible to the customers and vendors of the West Licensees and will not result in any discontinuance, reduction, loss, or impairment of service. Further, the Transaction will not affect the number or identity of the employees or management of West or the West Licensees. Thus, the West Licensees will continue to be operated by the same highly experienced, well-qualified management and technical personnel that operate those companies today. The proposed Transaction also will not adversely affect competition because it will not result in any reduction in the number of competitors serving the market. Customers will continue to have access to the same competitive alternatives that they have today.

I. DESCRIPTION OF THE APPLICANTS

A. West and the West Licensees

West Corporation. West is a Delaware corporation headquartered at 11808 Miracle Hills Drive, Omaha, Nebraska 68154. West is the direct or indirect parent company of several subsidiary companies, including the West Licensees. Through its subsidiaries, West is a global provider of communications and network infrastructure services primarily to business customers

throughout the United States and internationally. These services include emergency communications services, wholesale local and national tandem switching and transport services, conferencing and other meeting replacement services, alert and notification services, automated call processing, unified communications services, health advocacy, and cost recovery services. The voice and data solutions provided by the West Licensees are deployed by customers in a variety of industries, including telecommunications, banking, retail, financial services, technology, and healthcare.

West Telecom Services, LLC. West Telecom (formerly known as KMC Data LLC and then Hypercube Telecom, LLC)² is a wholly owned, indirect subsidiary of West. West Telecom is a Delaware limited liability company, and its principal place of business is located at 3200 W. Pleasant Run Road, Suite 300, Lancaster, Texas 75146. West Telecom provides wholesale local and national tandem switching and transport services, termination services, toll-free origination services, and Direct Inbound Dial services to telecommunications and information service providers, including wireless carriers, wireline competitive local exchange carriers (“CLECs”) and interexchange carriers, cable telephony providers, and Voice over Internet Protocol (“VoIP”) providers. West Telecom provides service to its customers using its nationwide optical backbone network that is both IP- and TDM-based. West Telecom owns and operates its own network equipment, but it leases transmission lines (including access circuits) from other carriers. West Telecom’s services are currently available in 47 states³ and the District of Columbia. On August

² In 2008, KMC Data LLC changed its name to Hypercube Telecom, LLC. Hypercube Telecom, LLC was subsequently sold to West in 2012 (approved in Dkt. 11-532), and changed its name to West Telecom Services, LLC in 2015 (approved in Dkt. No. 15-1530).

³ Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode

22, 2001, West Telecom's predecessor, KMC Data LLC, was granted a certificate of convenience and necessity by the Commission in Findings and Order No. 5786, PSC Docket No. 01-225, to provide local exchange and competitive intrastate telecommunications services.

West Safety Communications, Inc. West Safety (formerly known as "Intrado Communications Inc.")⁴ is a wholly owned, indirect subsidiary of West. West Safety is a Delaware corporation, and its principal place of business is located at 1601 Dry Creek Drive, Longmont, Colorado 80503. West Safety provides emergency communications services and infrastructure systems to public safety organizations and service providers, including public safety answering points, wireless carriers, wireline CLECs, cable telephony providers, and VoIP providers. West Safety's services are currently available in 47 states⁵ and the District of Columbia. On April 17, 2008, West Safety (then Intrado Communications Inc.) was granted a certificate of public convenience and necessity by the Commission in Findings and Order No. 7379, PSC Docket No. 08-44, to provide local exchange and competitive intrastate telecommunications services.

A description of the current corporate structure and ownership of West and the West Licensees is provided in Exhibit A.

Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

⁴ In 2006, Intrado Communications Inc. was sold to West. Intrado Communications Inc. changed its name to West Safety Communications Inc. in early 2016.

⁵ Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

B. Olympus Holdings and Olympus VoteCo

Olympus Holdings II, LLC. West is a direct, wholly owned subsidiary of Olympus Holdings, a Delaware limited liability company with a principal place of business located at 9 West 57th Street, 43rd Floor, New York, New York 10019. As set forth in Exhibit A, all of the voting interests in Olympus Holdings are indirectly held by Olympus VoteCo, and all of the equity interests in Olympus Holdings are indirectly owned by certain investment funds that are managed by affiliates of Apollo Global Management, LLC (“Apollo”) and certain members of West management.

AP VIII Olympus VoteCo, LLC. Olympus VoteCo is a special purpose Delaware limited liability company with a principal place of business located at 9 West 57th Street, 43rd Floor, New York, New York 10019. Currently, Joshua J. Harris holds 51 percent of the voting membership interests and 33.3 percent of the equity membership interests in Olympus VoteCo. Matthew Nord and Robert Kalsow-Ramos, who both are officers and managers of Olympus VoteCo, each currently hold 24.5 percent of the voting membership interests and 33.3 percent of the equity membership interests in Olympus VoteCo. Mr. Harris, Mr. Nord, and Mr. Kalsow-Ramos are all U.S. citizens and investment professionals with the Apollo funds group.

Apollo, which was founded in 1990, is a leading global alternative investment manager. Apollo raises, invests, and manages investment funds on behalf of some of the world’s most prominent pension and endowment funds as well as other institutional and individual investors. Consequently, Olympus Holdings and Olympus VoteCo remain well-qualified managerially, technically, and financially to continue to own and control West and the West Licensees. Apollo is an experienced investor in regulated telecommunications companies. Indeed, over the years, investment funds managed by affiliates of Apollo have made numerous minority and controlling investments in telecommunications businesses. These include, for example, Hughes Network

Systems, Inc., SkyTerra Communications, Inc. (formerly American Mobile Satellite Ventures), TerreStar Corporation, XM Satellite Radio Holdings, Inc., Intelsat, Telemundo Group, and Charter Communications, Inc.⁶ Apollo has a strong history of partnering with management teams to grow the companies in which it invests.

II. DESCRIPTION OF THE TRANSACTION

Mr. Harris will enter into a unit purchase agreement⁷ pursuant to which he will assign his 51 percent voting interest and 33.3 percent equity interest in Olympus VoteCo to its current managers, Mr. Nord and Mr. Kalsow-Ramos, each of whom will receive an additional 20.55 percent voting and 11.75 percent equity interest in Olympus VoteCo, and to Mount Olympus Parent, L.P., which will receive a nonattributable 9.9 percent voting and equity interest in Olympus VoteCo. Following the Transaction, and taking into account their existing interests in Olympus VoteCo, Mr. Nord and Mr. Kalsow-Ramos each will hold a 45.05 percent voting interest and a 45.05 percent equity interest in Olympus VoteCo, and Olympus VoteCo, under the collective control of Mr. Nord and Mr. Kalsow-Ramos, will indirectly control all of the voting interests in West and the West Licensees. Upon the consummation of the Transaction, Olympus VoteCo will be owned and controlled by two members who are Apollo investment professionals, as described immediately above. Other than Olympus VoteCo and the intermediate holding companies between Olympus VoteCo and West set forth in Exhibit A, no other individual or entity will directly or indirectly hold 10 percent or more of the voting interests of West or the West Licensees. Exhibit A includes pre-closing and post-closing organizational diagrams

⁶ Apollo no longer has an ownership interest in any of these companies.

⁷ Because the Transaction solely involves affiliated entities, the purchase agreement will not be finalized and executed until all required regulatory approvals have been obtained. At that time, the purchase agreement will be executed and the parties concurrently will consummate the Transaction. Accordingly, the parties have not submitted an executed purchase agreement with this Joint Petition.

illustrating the current and proposed post-Transaction ownership of West and the West Licensees.

III. DESIGNATED CONTACTS

All correspondence and communications with respect to this Application should be addressed or directed as follows:

Joseph H. Huston, Jr.
Stevens & Lee, P.C.
919 North Market Street, Suite 1300
Wilmington, DE 19801
Tel: 302-425-3310
Fax: 610-371-7972
jhh@stevenslee.com

Michael A. Gruin
Stevens & Lee
17 North 2nd Street, 16th Floor
Harrisburg, PA 17101
Tel: 717-255-7365
Fax: 610-988-0852
mag@stevenslee.com

and

Phillip R. Marchesiello
Wilkinson Barker Knauer, LLP
1800 M Street, NW, Suite 800N
Washington, DC 20036
Tel: (202) 783-4141
Fax: (202) 783-5851
pmarchesiello@wbklaw.com

with a copy to each of the following:

Sean Ward
West Corporation and
Olympus Holdings II, LLC
1601 Dry Creek Drive
Longmont, CO 80503
Tel: (720) 864-5510
Fax: (720) 494-6600
sward@west.com

Matthew Nord
Robert Kalsow-Ramos
AP VIII Olympus VoteCo, LLC
c/o Apollo Management VIII, L.P.
9 West 57th Street, 43rd Floor
New York, NY 10019
Tel: (212) 515-3200
Fax: (646) 607-0546
RKalsowRamos@wbklaw.com

IV. PUBLIC INTEREST CONSIDERATIONS

The proposed Transaction will serve the public interest. The proposed Transaction will occur at the parent level only. No assignment of authorizations, assets, or customers will occur as a consequence of the proposed Transaction, and West and the West Licensees will continue to provide service to their existing customers pursuant to the same rates, terms, and conditions. In addition, the Transaction will have no effect on the contractual obligations or regulatory status of West or the West Licensees. Accordingly, this Transaction will be, for all practical purposes, imperceptible to the customers and vendors of the West Licensees and will not result in any discontinuance, reduction, loss, or impairment of service.

Further, the Transaction will not affect the number or identity of the employees or management of West or the West Licensees. Thus, the West Licensees will continue to be operated by the same highly experienced, well-qualified management and technical personnel that operate the companies today. The proposed Transaction also will not adversely affect competition, because it will not result in any reduction in the number of competitors serving the market. Customers will continue to have access to the same competitive alternatives that they have today. Moreover, the Transaction will have no effect on the capitalization or financial condition of West or the West Licensees.

V. CONCLUSION

For the reasons stated above, the public interest, convenience, and necessity will be furthered by approval of the proposed Transaction. The Applicants respectfully request that, to the extent required by law, the Commission grant its consent and approval for the Applicants to enter into the proposed Transaction as expeditiously as is practicable.

Respectfully submitted,

/s/ Joseph H. Huston, Jr.

Joseph H. Huston, Jr. (No. 4035)
Stevens & Lee
919 North Market St., Suite 1300
Wilmington, DE 19801
Tel: 302-425-3310
Fax: 610-371-7972
jhh@stevenslee.com

*Counsel for Olympus Holdings II, LLC,
AP VIII Olympus VoteCo, LLC, and
West Corporation*

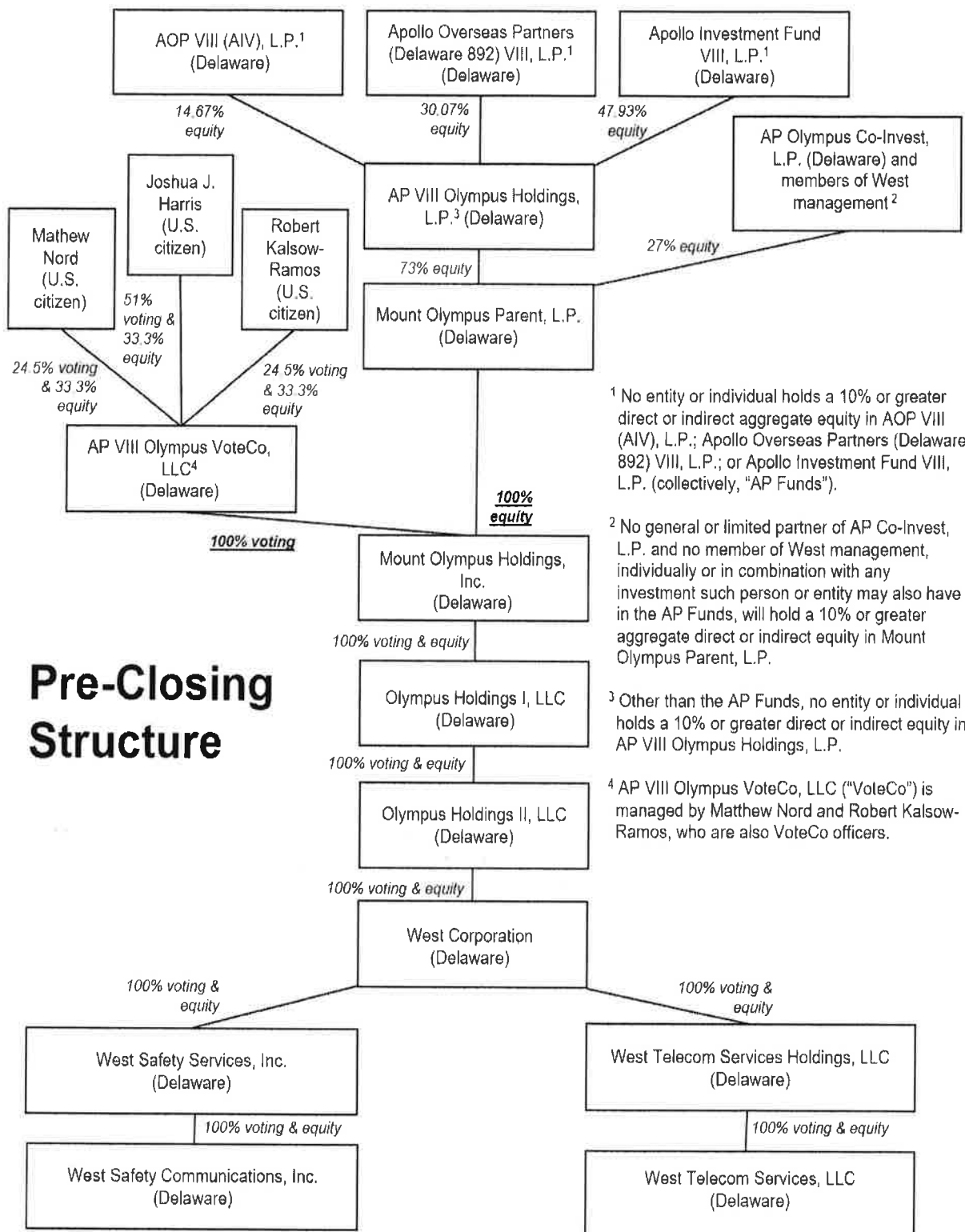
Date: February 4, 2019

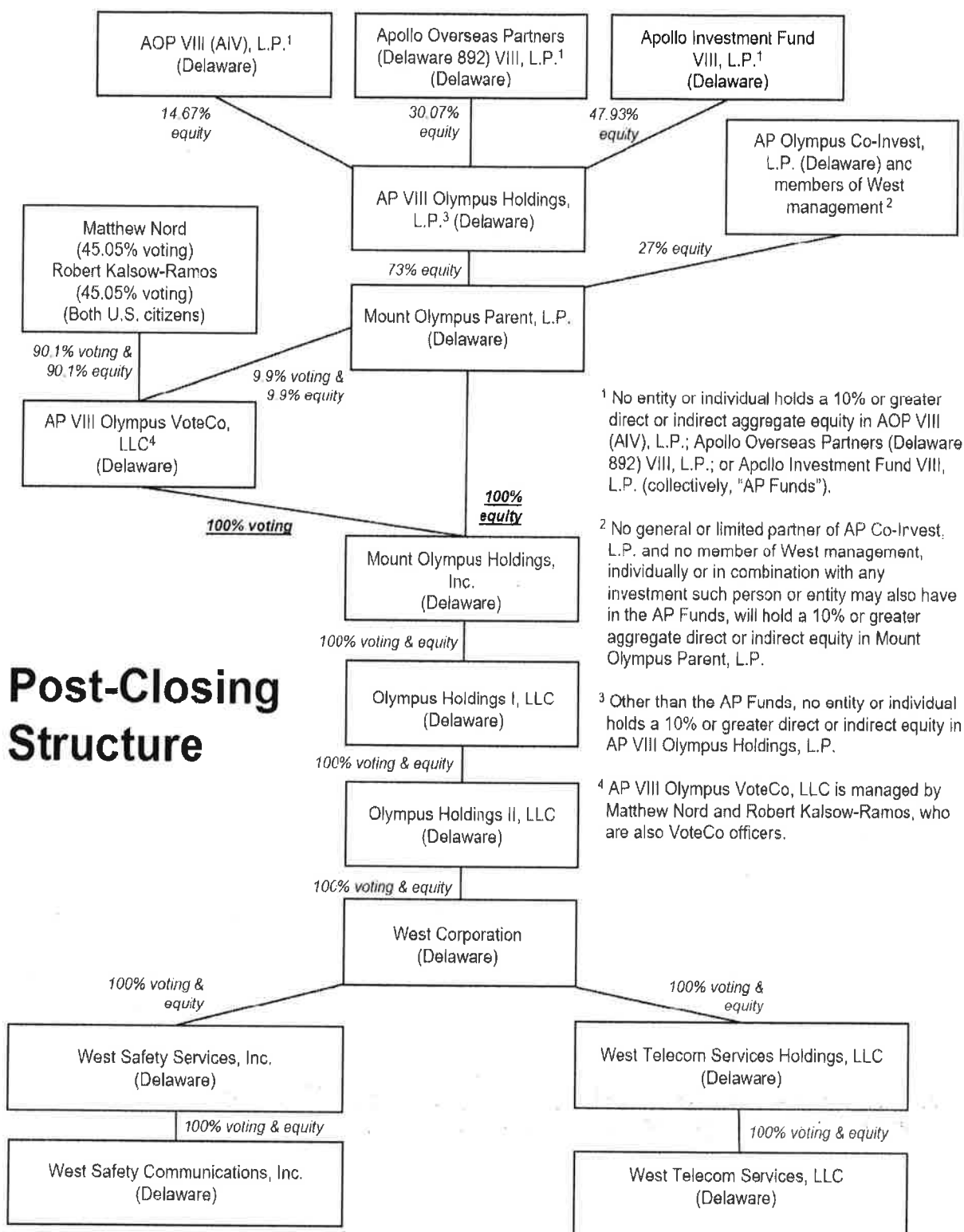
LIST OF EXHIBITS

<u>Exhibit A</u>	Pre- and Post-Closing Organizational Diagrams
------------------	---

EXHIBIT A

PRE- AND POST-CLOSING ORGANIZATIONAL DIAGRAMS





CERTIFICATE OF SERVICE

Joseph H. Huston, Jr. certifies that on February 4, 2019, a true and correct copy of the foregoing Joint Application was served upon the party listed below via first class mail, postage prepaid.

Division of the Public Advocate
820 North French St., 4th Floor
Wilmington, DE 19801

/s/ Joseph H. Huston, Jr.
Joseph H. Huston, Jr. (No. 4035)

)

)

)

STATE OF NEBRASKA)
)
CITY OF DOUGLAS)

VERIFICATION

I, Louis Brucculeri, hereby declare that:

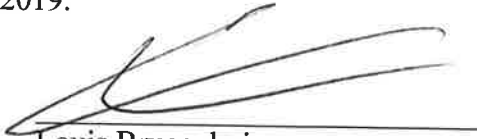
(1) I am Executive Vice President, Secretary, and General Counsel of Executive Vice President, Secretary, and General Counsel of Mount Olympus Holdings, Inc., Olympus Holdings I, LLC, Olympus Holdings II, LLC, and West Corporation, and Secretary of West Safety Communications Inc. and West Telecom Services, LLC;

(2) I am authorized to make this verification on behalf of Mount Olympus Holdings, Inc., Olympus Holdings I, LLC, Olympus Holdings II, LLC, West Corporation, West Safety Communications Inc., and West Telecom Services, LLC; and

(3) The statements in the foregoing Application relating to Mount Olympus Holdings, Inc., Olympus Holdings I, LLC, Olympus Holdings II, LLC, West Corporation, West Safety Communications Inc., and West Telecom Services, LLC are true and correct to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this ____ day of January, 2019.


Louis Brucculeri

Executive Vice President, Secretary and General Counsel
of Mount Olympus Holdings, Inc., Olympus Holdings I,
LLC, Olympus Holdings II, LLC, and West Corporation,
and Secretary of West Safety Communications Inc. and
West Telecom Services, LLC

SWORN TO AND SUBSCRIBED before me on the 30 day of January, 2019.


Notary Public

My commission expires: December 19, 2019